



The Comptroller General  
of the United States

Washington, D.C. 20548

## Decision

Matter of: International Alliance of Sports Officials  
File: B-224404, B-224405  
Date: October 3, 1986

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### DIGEST

No statute or regulation prohibits organizations, whose members are required to return a percentage of their earnings to the organization to cover its general and administrative costs, from bidding on federal procurements.

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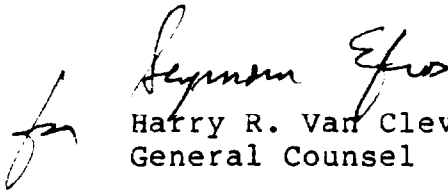
### DECISION

International Alliance of Sports Officials (IASO) protests any award under invitation for bids (IFB) No. DABT01-86-B-1016 issued by the Department of the Army and IFB No. F05604-86-B-0059 issued by the Department of the Air Force. The solicitations were issued to obtain sports officiating services for agency sporting events. IASO states that the officiating organizations in line for award under both procurements require its members to pay the organization a percentage of the money earned by each official for being assigned sports events to officiate. IASO contends that this arrangement is an improper business practice which should not be condoned by the government.

In International Alliance of Sports Officials, 63 Comp. Gen. 162 (1984), 84-1 CPD ¶ 63, we considered IASO's contention that bids submitted by organizations, whose members were required to return a percentage of their earnings to the organization to cover general and administrative costs, should not be considered in determining whether other bids received were reasonably priced. We found no statutory or regulatory basis for objecting to the consideration of the bids submitted by such organizations and held that the contracting agency could not ignore the bid prices submitted. In view of our prior decision, permitting the contracting

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agency to consider the bids submitted by these organizations, IASO's protest that the Army and Air Force should have excluded these firms under the current IFBs is denied.

  
Harry R. Van Cleve  
General Counsel